PLANNING FROM THE HEART

INSPIRATIONAL STORIES, NEWS AND CHARITABLE GIVING STRATEGIES

ICF AWARDS \$540,000 FOR CHARITIES, PARISHES, CLERGY FORMATION

BY GENE FADNESS, EDITOR OF IDAHO CATHOLIC REGISTER



Volunteers for the many ministries provided by St. Vincent de Paul are accustomed to handling a variety of requests.

For example, a homeless couple with seven kids who had been living in Interfaith Sanctuary found a home, but needed help to pay storage fees to get their belongings. So they approached the St. John's Conference of the St. Vincent de Paul Society, which helped the family relocate.

The St. John's Conference represents what volunteer Kathy Dahl calls the "downtown zip codes," and so the needs are substantial.

Rita Mountain serves in the adjoining Sacred Heart Conference on the Boise bench, also an area where people often find themselves in need of a hand up.

"Our main goal is to keep people in their homes," Mountain said. Many families live paycheck-to-paycheck. So, one setback – the loss of a job, a medical emergency – can be enough to render someone homeless.

Some of the funding to make grassroots ministries like these possible comes from the Idaho Catholic Foundation, which hosted several of its beneficiaries at a breakfast recently to announce the awarding of more than \$540,000 in grants earned from five endowments established as a result of the recent diocesan capital campaign, "Building on Our Past, Envisioning Our Future."

The grants varied in size and purpose from textbooks at Holy Spirit Catholic School in Pocatello, to several SVdP conferences to help people pay their utility bills, to a parish mission at Sts. Peter and Paul in Grangeville, to re-entry programs for inmates just released from prison.

Since it was created in 1990, the Idaho Catholic Foundation has grown to an asset base of \$25.8 million by the end of March this year, according to Alan Winkle, ICF board chair. A stronger economy has allowed for a near 15 percent return, which allowed for many of the grants paid out to dozens of Catholic parishes, schools and charitable organizations. "A word of caution: Don't get used to it, "Winkle said of the hefty returns. "It's always a volatile market."

The ICF now invests and manages funds for 65 endowments that otherwise would have been too small to earn a big return. "We are large enough now that we can create economies of scale to maximize assets." Winkle said.

In addition to dozens of smaller grants that went mostly to St. Vincent de Paul conferences, Winkle also announced \$81,000 for counseling services and educational classes at Catholic Charities of Idaho; \$92,000 from the Father Donald J. Riffle Endowment for the Care of Priests; and \$125,000 from the Ongoing Education and Formation of Clergy Endowment for seminarians and clergy.

Winkle asked those attending to let parishes, schools and charitable organizations know about the work of the Idaho Catholic Foundation. "Get the word out that we are here to help."

For a detailed list of grants awarded, visit: www.idahocatholicfoundation.org



MESSAGE FROM ICF CHAIR

SOCIALLY RESPONSIBLE INVESTING – BALANCING FINANCIAL STEWARDSHIP WITH CATHOLIC MORAL PRINCIPLES





I recently had the opportunity to work harvesting grapes in a local vineyard. I realized it takes God's gifts of the right soil, sun, water and skills doing the pruning, harvesting and processing to produce the wonderful taste of a flavorful wine. The Idaho Catholic Foundation (ICF) combines the gifts of treasure from God and talents of many individuals to safeguard the funds entrusted to it, as it invests and distributes the fruits for the mission of the Church and according to its teachings.

The Idaho Catholic Foundation (ICF) currently holds and manages approximately \$25.8+ million in more than 60 different endowment funds. Those funds, begun by individuals, families, parishes and Catholic organizations, support the mission of the Church in Idaho. Since 2013 our Investment Policy has included a Socially Responsible Investing (SRI) Policy as a part of our mandate. It includes two Principles:

- 1. The duty to exercise responsible financial stewardship over our economic resources. This means we expect our Investment Managers to perform around the market average over the long term.
- 2. The duty to exercise ethical and social stewardship in our Investment Policy. This means we require our Investment Managers to avoid investments that are against Catholic moral principles as outlined by the US Conference of Catholic Bishops (USCCB). This entails a very complex process of tracking investments of specific managers to ensure they do not hold stocks of companies that violate our SRI policy.

As you can see, the two Principles could be in conflict from time-to-time and would require work with the ICF Board and our consultant to resolve any issues. Sometimes, there are small gains or losses from the SRI investment requirement, compared to the targets. In the long term, we believe it is worth following the Catholic values in the SRI policy.

We encourage those organizations and individuals that want their contributions to the Catholic Church of Idaho to promote Catholic values in the market place to consider investing with us. By joining together, there are efficiencies from both investing and promoting Catholic values. It is my hope that more individuals and Catholic communities in the Diocese will recognize the value of pooling our investments together in the Foundation.

The Foundation ultimately helps everyone, everywhere. Please prayerfully consider investing in the Foundation to support the very important work of our parishes, schools and ministries.

In gratitude and service, Alan Winkle Board Chairperson

TRUSTEE SPOTLIGHT:

MIKE TREINEN



The Catholic teachings and the community of the Church are important to us as a family. We love the community at our school and at our parish. We believe that it is important for our

children to get a Catholic education and for our family to make the Church a priority in our lives. I am so very thankful for the support that the Foundation gives to our state's Catholic schools.

While our family had supported the Foundation financially, I became a board member to support it with my time as well. I felt I could lend my experience to help guide the direction of the Foundation's investments.

My favorite thing about being involved is seeing the impact that the Foundation grants have in our community. Churches, schools and organizations request grants each year. As a board member, I love to see how meaningful these awards are in helping our Catholic communities across the state. It is rewarding to see the impact that our donors are having year after year.

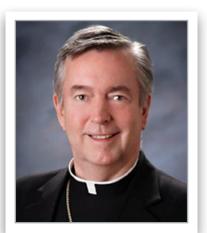
When people give to the Foundation, they can have the confidence that their donations are being professionally managed and invested according to Catholic values. We have a very dedicated committee that works with our investment consultant to make sure our donor's funds are invested prudently for long term growth.

IN LOVING MEMORY



Judith Kimbrough, Foundation Trustee, June 16, 1942-November 14, 2017

BISHOP'S MESSAGE



Dear Brothers and Sisters in Christ,

As we celebrate 125 years as a Diocese, I am pleased to share some very good news with you in this issue of *Planning from the Heart*. The work of the Idaho Catholic Foundation (ICF) has been exceptional. During this past year alone, the ICF has distributed over \$540,000 for fiscal year 2018-2019 from five endowments established as a result of the diocesan capital campaign "Building On Our Past, Envisioning Our Future."

Catholic education and faith formation will benefit from these grant funds, as well as charitable works through St. Vincent de Paul and many parish-based outreach offices. Catholic Charities of Idaho will

continue counseling services and educational classes. The Father Donald J. Riffle Endowment will provide care for our ill and aging clergy, as well as ongoing education and formation of seminarians and clergy.

This issue of *Planning from the Hear*t is filled with planned giving strategy articles, legacy donor stories, fund profiles, and a detailed listing of grant awards. We are pleased to highlight the profiles of donors, Stephen and Donna Busch, and board members, Lesley Bahner and Mike Treinen.

The funds directed to the Idaho Catholic Foundation are soundly and ethically invested and used only for the purposes of building up the Kingdom of God The ICF is dedicated to investing in socially responsible funds that can be utilized in good conscience because they adhere to Catholic social and moral teachings.

The lay-led Board of Directors of the ICF manages over 60 funds for the benefit of schools, parishes, diocesan ministries, and affiliated organizations in Idaho. It is my hope that more individuals and entities in the Diocese will see the value of trusting the growth of their investments in the Foundation. Responsible principles drive the investment decisions of the board's strategies. The ICF works diligently to safeguard the funds entrusted to them to hold, invest and distribute for the mission of the Church now and into the future.

Knowing the importance of transparency in building trust, the ICF's financial information is included in this newsletter and a detailed Review is published on the website at www.IdahoCatholicFoundation.org. Please be assured that the Foundation is educating and forming priests and deacons, assisting those in need, and supporting the growth of vibrant parishes, schools, and many diocesan ministries.

For almost four years now as your bishop, I have come to know personally the kindness and generosity of the people of Idaho. I especially want to thank the generous benefactors who share their gifts with our faith community. I want to thank our Board of Directors for their expertise and trust as they make socially responsible investments for the stability and growth of our local church in Idaho during the next 125 years.

Sincerely yours in Christ, Most Reverend Peter F. Christensen, D.D. Bishop of the Diocese of Boise

TRUSTEE SPOTLIGHT:

LESLEY BAHNER



If I had \$10,000 to give away, I'd start an endowment in honor of my deceased motherin-law, Agnes Amberg Fiedler. She epitomized Catholic Social Teaching. Always attentive to others

in prayer and with her presence, she was also generous in giving. One year, we had to prove to the IRS that all those \$10 checks to charity were legitimate.

I don't have \$10,000 saved up, but I can still honor my mother-in-law by giving financial support to Catholic causes, especially through the Idaho Catholic Foundation (ICF) and its endowments. In one transaction, I can cover the spectrum: help the poor, evangelize our youth, foster the growth of our priests and lay people, and help retired clergy.

Fall is a good time to reflect on our charitable giving to see if we are doing all that is expected of us during 2018. In a recent homily, my pastor, Father Dennis Day of St. Joseph's in Sandpoint, reminded us that scripture mandates a tithe. This had me looking for last year's tax return, and then looking at how much in charitable donations we have made so far this year. Now, with gratitude, I'll be sending a portion of my tithe to the ICF.

Go to ICF's website and take a look at the list of Catholic causes you could support. In addition to the funds I've already mentioned, there are many others, one of which may appeal to a particular interest of yours.



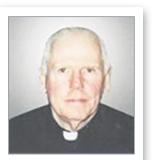
THANK YOU for your service outgoing Foundation Trustee members Msgr. Dennis Wassmuth 2013-2018 and Nancy Corgiat 2013-2017



WELCOME new Foundation Trustee Fr. Rob Cook, pastor of Sacred Heart Parish, Boise

PAGE 2 | PLANNING FROM THE HEART

DONOR LEGACY STORIES



FATHER RAYMOND DOLAN

Although Carmelite Father Raymond J. Dolan, O. Carm. never stepped foot in Idaho, he was a priest of the Diocese of Boise for 40 years. He served in New York and New Jersey, but he helped support the St. John Vianney Retirement Center in Boise. When he died at the age of 87 on June 30, 2017, he left a generous bequest to our diocese. This quiet priest was full of appreciation for Idaho, yet few in the state knew of him.

After Father Dolan was ordained on May 26, 1956 in New York, he worked with adolescent students who had learning disabilities. He loved this field of teaching and dedicated his time to becoming an expert, going on to teach at the university level, including at City University of New York on Staten Island.

In the mid-1970s, the Carmelites wanted him to change his career. The only way he could continue to work with the disabled was to find a bishop who would incarnate him as a priest of that bishop's diocese. He contacted several dioceses, and one day at a USCCB meeting, Bishop Treinen responded to Father Dolan. Arrangements were made, and Father Dolan became a priest of the Diocese of Boise.

Father Dolan continued his academic work in the northeastern United States, but he kept in contact with the Bishops of Boise for the rest of his life. In gratitude, he made gifts to the diocese on a regular basis.

Father Dolan also made gifts to the Carmelites (who cared for him at the end of his life, when his needs were too great to stay with family) and to the other dioceses and archdioceses where he served.



LLOYD AND ORLA KNIGHT

Giving financial support to entities we find important has been, for many years, a priority in our lives. Charitable and educational institutions, local organizations, the Idaho Catholic Appeal, and especially our local parish are included in our giving plan.

Since 1977, our family has been a part of Our Lady of Limerick in Glenns Ferry. We have received the sacraments, prayed with and for our friends, and been spiritually supported. Priests and parishioners have inspired us with their exemplary lives to live Christ's teachings more consistently.

We have reached a point in our lives where making tax free gifts through IRA Charitable Rollovers works well for continuing our giving plan. We have withdrawn some funds to meet our giving goals as part of our required minimum withdrawals.

Margaret Hampton, Development Coordinator for the Diocese of Boise, is available to assist you in ensuring that your Charitable Rollovers are directed to the fund or account that you have chosen. We encourage those who have not considered IRA Charitable Rollovers to learn more about them.

FAQS FOR THE ICF

Is the Idaho Catholic Foundation part of the Diocese of Boise?

No. While the Idaho Catholic Foundation exists to sustain the parishes, schools and ministries of the Diocese of Boise, the Foundation is a 501(c)(3) public charity, independent from the Diocese of Boise. The Foundation is governed by a Board of Directors, and its structure allows for independent operating and investment decision-making as well as the protection of assets.

What's the difference between the Idaho Catholic Foundation and the annual Idaho Catholic Appeal?

The annual Idaho Catholic Appeal (ICA) is just that, an annual appeal of the Diocese. The money collected by the ICA each year is distributed to the ministries of the Diocese of Boise to support them and a rebate is given to parishes that exceed their goals, one year at a time. In contrast, the Idaho Catholic Foundation provides perpetual support to the parishes, schools and ministries of the Diocese of Boise through endowment funds. Whereas the ICA is conducted by an office of the Diocese of Boise, the Idaho Catholic Foundation is a 501(c) (3) public charity, independent from the Diocese of Boise and governed by a Board of Directors.

Why should I give to the Foundation instead of directly to a parish, school or ministry?

Your gifts to endowment funds at the Foundation provide long-term funding to the parishes, schools and ministries of your choice. We do not discourage donors from making gifts directly to Catholic organizations but rather provide an alternative for those who wish for their gifts to have long-lasting impact.

MORE FAQ'S CONTINUED ON PAGE 7...



JOE AND KATHY FERBRACHE

In 2015, we attended a seminar about the Idaho Catholic Foundation at St. Mary's. That ignited us to include the Church in our will. We also worked to bring the seminar to our parish, Our Lady of Good Counsel in Mountain Home.

We were encouraged through the years by the pastors of our parish to be involved. We were married at Our Lady of Good Counsel 37 years ago, and we've been active members ever since. Kathy wasn't Catholic when we got married, but she became Catholic after our first child was born.

We schedule things and do things according to what is going on in the church. If there is some special function or seminar or teaching, we schedule other things around that. We've been involved in whatever way we can be, including taking communion to the homebound for the last 20 years.

In 2011, Joe had cancer and we had no insurance. Joe couldn't work for six months. So our church and our community helped us. All kinds of people, churches and businesses just came out of the woodwork to help.

We weren't comfortable receiving because we were used to giving. Our pastor at the time, Father Ben Uhlenkott, told us, though, that it is a God-given grace to receive, and we needed to let people help. It was so humbling. People came to a spaghetti dinner fundraiser, and they kept putting money and checks into a big bowl—just like the last scene in It's A Wonderful Life. We were able to pay all our bills for six months.

We want to be able to contribute to the Church after we're gone. There are so many people who kept the Church going until we got there, and we want to be able to have that same influence on future generations. We want the Church to be there for our kids and for our grandkids. We love the Catholic Church.



ST MARY'S PARISH

Monica Pittman, business manager for St. Mary's Parish in Boise, said that their parish's debt of over \$1 million weighed on her so much that it became a habit at each Mass to ask God for help. At the end of September, after 10 years of fighting this debt, St. Mary's received news that someone bequeathed enough money to completely pay it off.

Although Monica was overwhelmed with gratitude, she was also aware that it was not because of one donor that the debt was paid—it was because parishioners faithfully contributed to their church.

"One person may have given us a million dollars, but it means just as much as the person who gave us five dollars. Everything went towards paying it off," she said.

With the debt gone, St. Mary's will focus on updating their school, which was built in 1948. The parish offices, located in the former convent at St. Mary's, are also in need of renovations.

DONOR LEGACY FUND PROFILE

DONNA AND STEVE BUSCH



There is no question in our minds that the world is a better place because of all the good work done by the Catholic Church. We try to do what we can to help our local community and our parish church with the desire to help our immediate neighbors.

We are supporters of any program that is geared to helping the less fortunate among us. St. Mary's Parish in Moscow has a very effective food bank and we especially like to support it. Giving money to the Diocese was an attempt to help a broader community.

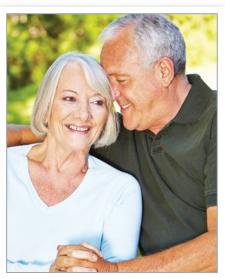
Sometime in 2000, we were engaged in a rather complex real estate transaction involving an IRS 1031 land exchange. We ended up with a parcel of land that had no immediate use to us. We decided to donate the land to the Church and have the sale proceeds become part of what is today the Idaho Catholic Foundation.

We are both cradle Catholics and graduates of Catholic school. God has blessed us on many levels, and we feel a need to give back. We have plans to make additions to the fund.

Our hope is it would be used to help the less fortunate among us in any way that is needed.

PAGE 4 | PLANNING FROM THE HEART

CHARITABLE GIVING STRATEGIES



Did you know?

Heirs pay income taxes on inherited 401(k)s, IRAs, and other tax-deferred retirement assets. This taxation makes retirement assets among the most costly to distribute to loved ones. If directed to the Church as a tax-exempt charity, the full value of your hard-earned retirement assets would support our Catholic faith.

"...be rich in good works and generous and ready to share with others. In this way you will build a solid foundation for the future, and win the life which is true life."

- 1 Timothy 6:18-19

Common Mistakes Naming Beneficiaries

It's not uncommon for people to assume that having a will in place is enough to ensure their assets will pass to their named beneficiaries in the manner they desire. However, certain financial assets, including 401(k) and IRA retirement accounts, as well as life insurance policies bypass a will or trust. One benefit is that when the account owner dies, the assets go directly to the beneficiaries named on the accounts, bypassing the probate process. However, because these beneficiary designations override your will, they need to be carefully coordinated with your overall estate plan.

Some of the most common mistakes people make in regard to beneficiary designations include:

- Forgetting to update named beneficiaries in the event of divorce. If your previous spouse is still listed as the beneficiary on your retirement account or life insurance policy at the time of your death, the assets may, depending on your state, go to your ex, regardless of whether he or she is a named beneficiary in your will.
- Naming minor children as beneficiaries or contingent beneficiaries. In the event you and your spouse predecease your children, they could directly inherit large sums of money from retirement accounts or life insurance policies—assets that are not governed by stipulations you may have included in your will or trust documents. Avoid leaving assets to minors outright. If you do, a court will appoint someone to look after the funds which can be a time consuming and expensive process.
- Using beneficiary forms that don't allow your assets to pass "per stirpes," or equally among the branches of a family. For example, let's say you name your three adult children as the beneficiaries of your IRA. If one of them predeceases you, you might want that child's share to go to his or her children. However, many standard beneficiary forms don't include per stirpes provisions and only allow per capita provisions where your two remaining adult children would share the assets. In certain cases, you can ask to include non-standard language to the beneficiary form, but make sure the financial services company actually has the capabilities in place to manage per stirpes distributions first.

An estate planning attorney or financial advisor with experience in estate and legacy planning can help ensure your beneficiary designations are up-to-date and aligned with your wishes and preferences.

IRA Charitable rollover

Are you frustrated by the required minimum distribution (RMD) rules? By taking a distribution from your IRA this year, you will likely pay more in taxes and may even reach a higher tax bracket. Rolling over part of your IRA's "required minimum distribution" to the Church can help reduce your tax bill while supporting our mission. Please contact your IRA administrator or tax advisor. You may also contact Margaret at 208-350-7539 or mhampton@rcdb.org.

A Gift That Gives Back

- Great rates
- ✓ Secures your income
- ✓ Tax benefits
- ✓ Tax benefits
 ✓ Grows the faith
- HIGHER RATES!
- When you create a Catholic Charitable Gift Annuity, you are investing in your future and the future of the Catholic Church.
- Lock in great rates, secure your income for life and receive tax benefits. Best of all, your gift will directly help advance the mission of the Church.
- With our charitable gift annuity, you are securing more than just your income—you are securing the future of our faith.
- You can fund a charitable gift annuity with not only cash but also with property, such as stocks, bonds, mutual funds and real estate.

Our charitable gift annuity program is administered by Catholic Extension Society, which is one of the largest, oldest and strongest of its kind.

Minimum age is 55	
AGE	ANNUAL PAYOUT RATE
55-59	4.3-4.6%
60-64	4.7-5.0%
65-69	5.1-5.4%
70-74	5.6-6.1%
75-79	6.2-7.1%
80-84	7.3-8.1%
85-89	8.3-9.2%
90+	9.5%
Two-life rates a	available upon request
Rates Effective	July 1, 2018
Please contact	Margaret Hampton at
mhampton@rd	db.org or 208-350-7539 for a

sample charitable gift annuity proposal.

PUTTING FAMILY FIRST

BY MARGARET HAMPTON, DEVELOPMENT COORDINATOR



I recently received a call from Dan. He and his wife were updating their wills and had some questions. He said his faith is important to him and that he wants to leave a Catholic legacy. He also wanted the flexibility to change his will should life circumstances change.

"You can do both," I said.

We all know that life is unpredictable. We see how the markets fluctuate, as do our assets. Like many, you don't want to risk that someday your charitable gift could outweigh the well-being of your family.

Percentage Giving

Instead of leaving a fixed amount to the Church, consider a percentage of your estate or of specific assets. That way, gifts to loved ones and to organizations such as your favorite church, school or ministry remain proportional—no matter how your estate fluctuates.

Here are three simple ways to take care of your family and loved ones while also supporting your family of faith—the Church:

- 1. Gift a percentage of your estate to us in your will.
- 2. Leave the Church a percentage of your residual estate (the portion of your estate that remains after all gifts have been made and all claims of the estate are satisfied).
- 3. Name us as a beneficiary of a percentage of your life insurance policy or bank/retirement account. This option does not involve an attorney. Simply contact your financial service provider or account administrator and complete a beneficiary designation form. Many providers also make these forms available online.

Have questions of your own? Please contact me at 208-350-7539 or mhampton@rcdb.org to chat more about the different options for including the Church in your will or estate plan.

Catholic Legacy Society

Thank you for your faithful support and for considering the Church in your plans. Please let us know if you've already included us in your will or estate plans, even if you want to remain anonymous. Why? So we can thank you and welcome you into the Catholic Legacy Society, a special group of caring people who provide for the future of the Catholic Church in Idaho and serve as advocates of parish and diocesan ministries in the everlasting life.

Our goal is to welcome 125 families/households into the Legacy Society in honor of the Diocese's 125th anniversary. Simply complete and return the attached reply form in this publication. Thank you!

EVERY GIFT COUNTS!

Even a small percentage of your estate makes a big impact on the Church. Contact us to learn more about supporting the mission of the Church while putting family first.

*"Church" refers to any parish, school, diocesan ministry or Foundation endowment designated by the donor.

The information in this publication is not intended as legal or tax advice. For such advice, please consult an attorney or tax advisor.

FAQS FOR THE ICF - CONTINUED

Who maintains control of funds and decides when and how much income is distributed from endowments in the Foundation?

There are four types of funds in the Foundation: Parish-owned, School-owned, Diocese-owned, and Foundation-owned. The owners of these funds create a document that outlines the frequency and amount of distributions. The Foundation follows these instructions.

Can a parish/school invade the corpus of its fund?

At the time a fund is established, the parish/school decides if the fund is endowed or not endowed. The guiding principle for endowed funds is that the corpus remains untouched and only interest earned is distributed for stated purposes. The parish/school may invade the corpus, but only if this provision is stated in its originating documents.

Some parishes and schools elect to establish non-endowed funds to achieve the highest rate of return while planning for a larger project in the future, such as new facilities or major building/renovation projects.

Can the Diocese or Bishop remove funds from a school/parish-owned fund in the Foundation and use however they wish?

No, only the owner of a fund has authority to request funds, as outlined in the owner's purpose statement or documents.

FOR MORE FAQ'S VISIT: www.IdahoCatholicFoundation.org

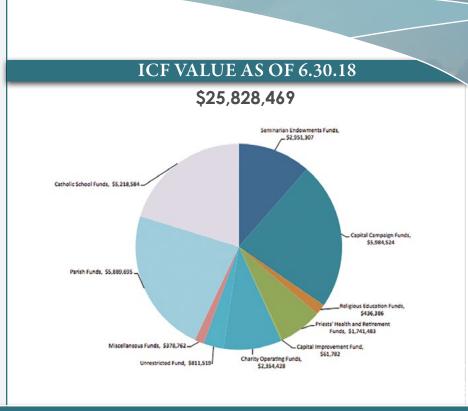
PAGE 6 | PLANNING FROM THE HEART



1501 S. FEDERAL WAY SUITE 400 BOISE, ID 83705







ICF MEMBERS

OFFICERS:

- · Alan Winkle, Chairperson
- Mike Treinen, Vice-Chairperson
- Steven T. Busch, Secretary & Treasurer
- · Lesley A. Bahner, Past Chair

BOARD MEMBERS:

- Most Rev. Peter F. Christensen, Bishop of the Diocese of Boise
- Kate Aravich, St. Mary's, Boise
- · Lesley A. Bahner, St. Joseph's, Sandpoint
- Stephen T. Busch, St. Mary's, Moscow
- Rev. Rob Cook, Sacred Heart, Boise
- · Hanley Dawson, Our Lady of the Snows, Sun Valley
- Joseph Fehringer, Holy Apostles, Meridian
- Travis Kaul, St. Joseph's, Sandpoint
- David Petti, St. John Paul II, Idaho Falls
- Kathryn Schmid, St. Edward's, Twin Falls
- Mike Treinen, Our Lady of the Rosary, Boise
- Stan Welsh, Risen Christ, Boise
- Alan Winkle, St. John Cathedral, Boise